GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1877
ANSWERED ON:30.11.2000
COLLECTION OF FUNDS THROUGH IMPOSITION OF CESS
MAHBOOB ZAHEDI

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether any cess has been imposed on oil products during the last two years;

(b) if so, the details thereof; and

(c) the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): Yes, Sir. Effective 2nd June 1998 additional duty (excise and customs) of Re.1/litre was levied on petrol. An additional duty (excise and customs) was levied on high speed diesel effective 28th February, 2000. These duties are sometimes referred to as `cess`

(c) The amount collected from the levy of `cess` on high speed diesel and petrol would be spent for development of rural roads, national highways and state sector roads and for railway over-bridge and railway safety work at unmanned railway crossings.